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IN THE UNITED STATES DISTRICT COURT
 FOR THE DISTRICT OF ALASKA

)	
UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	No. A99-549-CV (JKS)
v.)	
)	
)	
BP EXPLORATION (ALASKA) INC.,)	<u>STIPULATION OF SETTLEMENT</u>
)	<u>AND ORDER</u>
Defendant.)	
)	
)	
)	

The United States commenced this action by filing a
 Complaint for Civil Penalties ("Complaint") on September 23, 1999.
 The complaint alleges certain violations by BP Exploration (Alaska)
 Inc. ("BPXA") of the Solid Waste Disposal Act, as amended by the
 Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 *et seq.*
 ("RCRA"), the Public Health Service Act, as amended by the Safe

Drinking Water Act, 42 U.S.C. §§ 300f *et seq.* ("SDWA"), the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §§ 9601 *et seq.* ("CERCLA"), and the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. §§ 11001 *et seq.* ("EPCRA"), stemming from BPXA's operations at Endicott Island in the Beaufort Sea off the North Slope of Alaska ("Endicott Island") during the years 1993, 1994 and 1995, which BPXA denies.

The United States and BPXA ("the Parties") agree that it is in the public interest to resolve this matter without litigation and have negotiated this Stipulation of Settlement in good faith to avoid expensive and protracted litigation and to avoid the risks of litigation.

The Parties agree that this Stipulation of Settlement is a fair and equitable settlement of the claims and defenses raised herein. Accordingly, the Parties, by and through the undersigned, stipulate and agree that:

A. BP Exploration (Alaska) Inc. shall pay to the United States a civil penalty of six million, five hundred thousand dollars (\$6,500,000.00) in accordance with the provisions of Paragraph B below. This civil penalty shall be in full and complete compromise, accord and satisfaction of any and all civil claims by the United States for the violations of RCRA, SDWA, CERCLA and EPCRA resulting from BPXA's operations at Endicott Island through October 6, 1995 alleged in the Complaint, except that this Stipulation of Settlement does not affect any claims for

(non)compliance with RCRA, SDWA, CERCLA and EPCRA by Doyon Drilling, Inc. and/or any other of BPXA's contractors.

B. Within five business days of notice of the Court's approval of this Stipulation of Settlement, BPXA shall transmit via Electronic Funds Transfer to the United States, in accordance with instructions provided by the Financial Litigation Unit of the Office of the United States Attorney, the payment required by Paragraph A above.

C. Upon receipt by the United States of the amount referred to in Paragraph A in accordance with the procedure described in Paragraph B, the United States and BPXA shall file a stipulation with the Court dismissing this action with prejudice, which shall provide that each Party is to bear its own costs and attorneys' fees in this action.

D. In the event that BPXA does not comply with the payment obligations of Paragraphs A and B above, this Stipulation of Settlement shall be voidable at the sole discretion of the United States.

E. Civil penalties paid pursuant to this Stipulation of Settlement are not deductible by BPXA or any other person for federal, state or local tax purposes.

F. BPXA does not, by execution of this Stipulation of Settlement, admit liability for, or agreement with, any disputed facts, any disputed legal theories or any violations of law, rule regulation, or permit by BPXA or its officers, directors, employees or agents. BPXA specifically denies liability for the civil

penalties sought by the United States' Complaint and denies that the events alleged in the Complaint constitute violations of RCRA, SDWA, CERCLA or EPCRA.

G. This Court shall retain jurisdiction for the purposes of interpreting and enforcing this Stipulation of Settlement through the date payment is made in accordance with the provisions of this Stipulation of Settlement. In the event all or any portion of the civil penalties referred to in Paragraph A above is not paid in accordance with the provisions of this Stipulation of Settlement, BPXA shall be liable for attorneys' fees and costs incurred by the United States in collecting any amounts due hereunder. This Stipulation of Settlement shall be considered an enforceable judgment for purposes of post-judgment collection of any unpaid civil penalties referred to in Paragraph A above, in accordance with Rule 69 of the Federal Rules of Civil Procedure, the Federal Debt Collection Procedures Act, 28 U.S.C. §§ 3001-3308, and other applicable statutory authority without further order of this Court.

H. Each of the undersigned representatives of BPXA and the Assistant Attorney General of the Environment and Natural Resources Division of the Department of Justice certifies that (s)he is fully authorized to enter into the terms and conditions of

this Stipulation of Settlement and to execute and legally bind each Party to this document.

I. This Stipulation of Settlement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

ORDER

IT IS SO ORDERED upon the stipulation and agreement of the
Parties herein:

DATED this ____ day of _____, 1999.

United States District Judge

Approved:

For Plaintiff United States of America:

Dated: September ____, 1999

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Dated: September ____, 1999

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Dated: September ____, 1999

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